



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

DOCTORS HOSPITAL OF LAREDO

Respondent Name

LIBERTY INSURANCE CORP

MFDR Date Received

September 25, 2014

Carrier's Austin Representative

Box Number 01

MFDR Tracking Number

M4-15-0388-02

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "We originally billed for this date of service on May 28, 2014, as there was an issue with our work comp claims dropping. We request you take this into consideration and over ride the timely filing denial for processing and payment for this date of service."

Amount in Dispute: \$937.07

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The charge of 2/10/14 through 2/27/14 were processed according to DWC requirements regarding timely filing and preauthorization. The date of the bill is 5/28/2014 and the services performed more than 95 days to that date were denied as not timely filed. We have attached a copy of the preauthorization letter which explains that the authorized services were cpt codes 97110, 97140 and 97010. Codes 97035 and 97032 were not preauthorized."

Response Submitted by: Liberty Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
February 10, 2014 through February 20, 2014	97035-GP, 97032-GP, 97110-GP and 97140-GP	\$937.07	\$0.00
February 25, 2014	97032-GP, 97035-GP, 97110-GP and 97140-GP		
February 27, 2014	97032-GP and 97140-GP		

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all-applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.20 sets out medical bill submission procedures for health care providers.
3. 28 Texas Administrative Code §102.4 sets out the rules for non-Commission communications.
4. Texas Labor Code §408.027 sets out the rules for timely submission of claims by health care providers.
5. Texas Labor Code §408.0272 provides for certain exceptions to untimely submission of a medical bill.

6. The services in dispute were reduced/denied by the respondent with the following reason codes:
- 150 (Z652) – Recommendation of payment has been based on a procedure code which best describes services rendered.
 - 45 (Z710) – The charge for this procedure exceeds the fee schedule allowance.
 - 45 (P300) – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
 - 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
 - 97 (X815) – This procedure is incidental to the primary procedure, and does not warrant separate reimbursement.
 - 197 (X170) – Pre-authorization was required, but no requested for this service per DWC Rule 134.600
 - B13 – Previously paid. Payment for this claim/service may have been provided in a previous payment.
 - Z286 – Date(s) of service exceed (95) day time period for submission per Rule 408.027 and bulletin No. B-0037-05A.

Issues

1. What is the timely filing deadline applicable to dates of service February 10, 2014, February 12, 2014, February 14, 2014, February 19, 2014 and February 20, 2014?
2. Did the requestor forfeit the right to reimbursement for dates of service February 10, 2014, February 12, 2014, February 14, 2014, February 19, 2014 and February 20, 2014?
3. Did the requestor submit a medical bill no later than the 95th day for dates of service February 25, 2014 and February 27, 2014?
4. Did the requestor obtain preauthorization for the disputed services rendered on February 25, 2014 and February 27, 2014?
5. Is the requestor entitled to reimbursement?

Findings

1. Per 28 Texas Administrative Code §133.20(b) requires that, except as provided in Texas Labor Code §408.0272, “a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided.” No documentation was found to support that any of the exceptions described in Texas Labor Code §408.0272 apply to dates of service February 10, 2014, February 12, 2014, February 14, 2014, February 19, 2014 and February 20, 2014 in this dispute. For that reason, the requestor in this dispute was required to submit the medical bill not-later than 95 days after the date the disputed services were provided.
2. Texas Labor Code §408.027(a) states, in pertinent part, that “Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment.” 28 Texas Administrative Code §102.4(h) states that “Unless the great weight of evidence indicates otherwise, written communications shall be deemed to have been sent on: (1) the date received, if sent by fax, personal delivery, or electronic transmission or, (2) the date postmarked if sent by mail via United States Postal Service regular mail, or, if the postmark date is unavailable, the later of the signature date on the written communication or the date it was received minus five days. If the date received minus five days is a Sunday or legal holiday, the date deemed sent shall be the next previous day which is not a Sunday or legal holiday.” Review of the submitted information finds no documentation to support that a medical bill was submitted within 95 days from the date the services were provided. Therefore, pursuant to Texas Labor Code §408.027(a), the requestor has forfeited the right to reimbursement due to untimely submission of the medical bill for the disputed services.
3. The requestor seeks reimbursement for CPT codes 97032-GP, 97035-GP, 97110-GP and 97140-GP rendered on February 25, 2014 and CPT codes 97032-GP and 97140-GP rendered on February 27, 2014. The requestor submitted sufficient documentation to support timely filing per 28 Texas Administrative Code §133.20(b), as a result the disputed charges rendered on February 25, 2014 and February 27, 2014 were filed timely and eligible for review.

Review of the Explanation of Benefits for dates of service February 25, 2014 and February 27, 2014, indicate that the disputed charges were denied/reduced by the insurance carrier with denial reason code “197 (X170) – Pre-authorization was required but not requested for this service per DWC rule 134.600”, “150 (Z652) – Recommendation of payment has been based on a procedure code which best describes services rendered” and 45 (Z710) – The charge for this procedure exceeds the fee schedule allowance.”

4. Per 28 Texas Administrative Code §134.600(p) "Non-emergency health care requiring preauthorization includes: (5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: (A) Level I code range for Physical Medicine and Rehabilitation..."

Review of the preauthorization letter dated February 5, 2014 indicates that 12 visits of post-operative physical therapy (CPT codes – 97110, 97140, & 97010) over 4 weeks for the left shoulder with a start date of February 4, 2014 for 12 day(s) or visit(s) and 4 week(s) were preauthorized.

The requestor seeks reimbursement for CPT codes 97032-GP, 97035-GP, 97110-GP and 97140-GP for date of service February 25, 2014. Preauthorization was obtained for CPT codes 97140-GP and 97110-GP as a result reimbursement is recommended for these codes. The remaining CPT codes 97032-GP and 97035-GP were not preauthorized and therefore reimbursement cannot be recommended for these codes. The requestor does not seek reimbursement for CPT code 97010 (identified in the preauthorization letter), as a result this CPT code will not be considered in this review.

The requestor seeks reimbursement for CPT codes 97032-GP and 97140-GP for date of service February 27, 2014. Preauthorization was obtained for CPT code 97140-GP, as a result the requestor is entitled to reimbursement for CPT code 97140-GP for date of service February 27, 2014. The remaining CPT code 97032-GP was not preauthorized, as a result reimbursement cannot be recommended for this code. The requestor does not seek reimbursement for CPT code 97010 (identified in the preauthorization letter), as a result this CPT code will not be considered in this review.

5. Per 28 Texas Administrative Code 134.203 (c) "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83... (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year..."

Procedure code 97110-GP, service date February 25, 2015, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 0.916 is 0.40304. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.8612 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$48.01. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$48.01. The PE reduced rate for the second unit is \$36.78. The total is \$84.79. The insurance carrier issued payment in the amount of \$96.02, as a result no additional reimbursement is recommended.

Procedure code 97140-GP, service date February 25, 2015, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.916 is 0.3664. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.80456 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$44.85. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is \$34.64. The insurance carrier issued payment in the amount of \$44.85, as a result no additional reimbursement is recommended.

Procedure code 97140-GP, service date February 27, 2015, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.43. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 0.916 is 0.3664. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.816 is 0.00816. The sum of 0.80456 is multiplied by the Division conversion factor of \$55.75 for a MAR of \$44.85. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at \$44.85. The insurance carrier issued payment in the amount of \$44.85, as a result no additional reimbursement is recommended.

Conclusion

For the reasons stated above, the division finds that the requestor has not established that reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based on the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

April 10, 2015
Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** along with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812

Health care providers may verify workers' compensation insurance coverage and contact information from our website at www.tdi.texas.gov/wc/employer/coverage.html or for additional assistance call the TDI-DWC Insurance Coverage section at 800-372-7713.